(d) the number of cases of violation of Government's guidelines by foreign banks/insurance companies that came to the notice of Government and what action has been taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRl S.S. PALANIMANICKAM): (a) to (d) The information is being collected and will be laid on the Table of the Hosue of the extent available.

Loans to SCs/STs/OBCs farmers by banks

1449. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) the number of small farmers belonging to SCs/STs/OBCs categories who were provided loans by Regional Rural Banks and Nationalized Banks in the remote districts of the country, State-wise and district-wise during the last three years;

(b) the measures taken by Government to ensure that loans to farmers are provided by banks without any difficulty; and

(c) the success achieved by Government as a result of the measures taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Information is being collected and will be laid on the Table of the House.

(b) In order to mitigate the difficulties faced by the farmers in accessing credit, a number of initiatives to provide hassle free and timely credit have been taken, such as expeditious issuance to Kisan Credit Card (KCC), RBI's instructions to banks not to insist on collateral or margin money for loans upto Rs. 50,000; banks to simplify loaning procedures and extend loans at reasonable rate of interest; banks to process the loan applications expeditiously; branch managers delegated adequate powers to sanction loans to farmers; progress in sanction of loans and pendency to be reviewed at Block/District Level Bankers' Committee Meetings.

Asa part of the farm credit package announced by the Government of India in June, 2004, certain debt relief measures were provided to farmers in distress; farmers in arrears and farmers indebted to informal

sources (money lenders). A one time settlement scheme was also introduced to enable the farmers to settle their old accounts, to enable them to become eligible for fresh credit.

(c) Efforts made by Government resulted in enhanced credit flow to agriculture sector during the year 2004-05. During this period, the commercial banks achieved a growth of 39%; the RRBs achieved a growth of 55% and cooperative banks registered a growth of 14% resulting in overall growth of 32% in credit flow to agriculture sector. During the year 2005-06, the overall credit flow to agriculture is targeted at Rs. 1,41,000 crores. By September, 2005, the actual flow to agriculture is Rs. 83,502 crores.

Foreign exchange reserves

1450. SHRI K. RAMA MOHANA RAO: Will the Minister of FINANCE be pleased to state:

(a) what are the country's foreign exchange reserve as on July, 2005;

(b) whether it is a fact that the forex reserved are not going up as per the expectations of Government;

(c) if so, the reasons for such a tardy increase in the forex reserves; and

(d) whether the recent rise in the forex reserves is because of revaluation of some of the international currencies and intervention by the RBI on the domestic forex market to mop up dollars?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The foreign exchange reserves stood at US $ 140.5 billion at the end of July, 2005. There is no target for accumulation of foreign exchange reserves. The variation in foreign exchange reserves depends upon the demand and supply conditions in the foreign exchange market determined by, *inter alia,* exports, imports and other current and capital accounts transactions.

(d) The accretion to foreign exchange reserves in the last few years has occurred mainly on account of RBI's purchases of US dollar in the local forex market to maintain orderly conditions and to ensure that the exchange rate of the rupee reflects economic fundamentals. However,